


ESR 12

Project title and research strand:	Optimizing change processes for the circular economy. Strand 4: Methodology.	
Name:	Sophie Grässler	
Supervisors, affiliation:	Hannes Günter / Simon de Jong; Maastricht University (NL) Klaus Henning; umlaut (DE)	

Abstract

In recent years, interest among practitioners and academics has grown in how businesses can become more sustainable through the implementation of a more circular economy, which focuses on reducing waste and reusing materials. In two projects we reviewed existing research on OCCE (i.e., “Organizational Change towards a Circular Economy”) and analyzed five change projects in a multinational company to understand this transition and its tensions better. In our systematic literature review, analyzing 65 articles, we found areas of agreement, uncertainty, and differences among studies. We offer a new, comprehensive view of OCCE and define it along the dimensions of content, process, and context of change. We also identify future research opportunities. When analyzing five change projects in a multiple case study, we found three main challenges: balancing new sustainable practices and procedures with existing ones, scaling up these practices while staying (cost-) efficient, and managing conflicting own and shared responsibilities. Project teams initially tried to attend to both old and new practices but often had to choose linear practices over circular ones. Strategies included questioning the tensions, avoiding the challenges, compromising or sacrificing on circular features, or sticking with traditional linear organizational methods. Our findings offer a clear guide for businesses to adopt circular practices more effectively. This, in turn, may assist companies develop better sustainability strategies, aimed at the circular economy, that benefit both their operations and the environment.

Embracing change: Transitioning towards a circular economy

Author: *Sophie Graessler (ESR 12)*

Affiliation: *Maastricht University, umlaut part of Accenture*

1 Background

- Most organizations follow a linear production logic (make-use-dispose)
 - Comes with severe negative impacts on the environment
- More companies aim to implement the logic of a circular economy (reduce-reuse-recycle)
- Change from linear to circular remains understudied, although fundamentally different to other forms of change
- Transitions towards circularity seem difficult, challenging and prone to tensions
- Aim of the dissertation: investigate and understand change process from linear to circular from an organizational behavior perspective



2 Methods

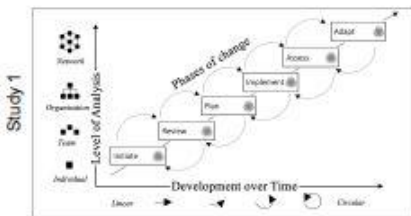
Study 1:

- Aim: Synthesize and integrate nascent and fragmented literature on OCCE*
- Narrative and systematic literature review of 65 articles on OCCE

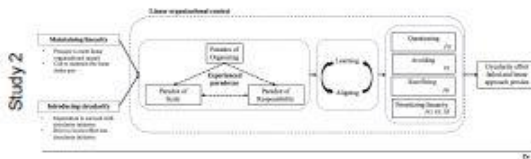
Study 2:

- Aim: Investigate how OCCE-specific paradoxical tensions manifest in practice
- Multiple case study in a multinational life sciences organization
- Main data source: two rounds of semi-structured interviews

3 Key Findings



“OCCE is a radical form of planned organizational change that shifts the organizational logic from linear to circular, in a holistic (i.e., across technical, human, and organizational aspects), iterative (i.e., throughout a series of phases, steps, and activities), and systemic way (i.e., across various levels of an organization and its network), with the goal of eliminating waste and closing resource loops.”



- 1 OCCE favors a holistic approach
OCCE is a multidimensional and holistic change with alterations in all parts of the organization and necessitates coordinated changes across all parts of the organization and its ecosystem.
- 2 OCCE is iterative and experimental
Experimentation lies at the core of (re-)designing business models and ways of working to eliminate waste and align with circularity. Roadmaps for circular change contain repetitive steps and loops.
- 3 OCCE requires systemic changes
OCCE requires the rethinking of organizational boundaries and calls for new ways of organizing, engaging stakeholders along value chains. Enablers and barriers for change must be addressed at all four organizational levels.
- 4 Paradoxical tensions occur across three levels
When implementing circular practices in a linear organization, employees experience paradoxes across the dimensions of organizing, scale, and responsibility.
- 5 Tensions are managed in a two-step approach
Employees shift between learning about circular practices and aligning these with linear procedures. Then, employees either question, avoid, sacrifice or prioritize linearity overall, protecting linear ways of working.

4 Conclusion

- We find OCCE to be a holistic, iterative, and systemic phenomenon, distinct from other organizational changes
- We identified novel paradoxical tensions and a two-step response approach employed by project members in OCCE

Outlook for Study 3:

- Quantitative survey focusing on practical implementation of circular practices
- Aim to investigate to what extent employees experience tensions, deal with these, and how this affects their pro-active involvement in circularity initiatives

5 Implications

- Address both technical and human aspects simultaneously
- Embrace an iterative approach and recognize the need for continuous learning and adaptation
- Promote collaboration across value chains, fostering a green, innovative culture to reduce resistance to OCCE
- Address paradoxes early and engage stakeholders at all levels to establish clear and shared goals
- Foster flexible organizational structures to prolong learning cycles and adapt existing norms towards circularity initiatives



6 References

Boettke, P. J., & Ocasio, W. (2010). *Organizational change and innovation: A review and research agenda*. *Journal of Business Venturing*, 25(1), 1-10.

Boettke, P. J., & Ocasio, W. (2010). *Organizational change and innovation: A review and research agenda*. *Journal of Business Venturing*, 25(1), 1-10.

Boettke, P. J., & Ocasio, W. (2010). *Organizational change and innovation: A review and research agenda*. *Journal of Business Venturing*, 25(1), 1-10.

Boettke, P. J., & Ocasio, W. (2010). *Organizational change and innovation: A review and research agenda*. *Journal of Business Venturing*, 25(1), 1-10.

Recent publication:
Graessler, S., Guentert, H., de Jong, S.B., & Henning, K. (2024). Organizational change towards the circular economy: a systematic review of the literature. *International Journal of Management Reviews*, pp. 1-24.



Supervisors and co-authors: Hannes Guentert¹, Simon de Jong¹, Klaus Henning²
¹ Department of Organization, Strategy and Entrepreneurship, School of Business and Economics, Maastricht University, ² umlaut consulting GmbH, Part of Accenture